

AMENDED IN SENATE APRIL 26, 2010

AMENDED IN SENATE APRIL 13, 2010

AMENDED IN SENATE MARCH 24, 2010

SENATE BILL

No. 1445

Introduced by Senator DeSaulnier

February 19, 2010

An act to amend Section 65040.6 of, and to add Section 65080.6 to, the Government Code, to amend Section 75125 of the Public Resources Code, and to add Section 9250.20 to the Vehicle Code, relating to planning.

LEGISLATIVE COUNSEL'S DIGEST

SB 1445, as amended, DeSaulnier. Planning.

(1) Existing law creates the Strategic Growth Council consisting of the Director of State Planning and Research, the Secretary of the Natural Resources Agency, the Secretary for Environmental Protection, the Secretary of Business, Transportation and Housing, the Secretary of California Health and Human Services, and one public member appointed by the Governor. Existing law specifies the powers and duties of the council with respect to identification and review of activities and programs of member agencies that may be coordinated to improve certain planning and resource objectives and associated matters, including provision of financial assistance to support the planning and development of sustainable communities. Existing law requires the council to report to the Legislature not later than July 1, 2010, and every year thereafter, on the financial assistance provided.

This bill would instead provide for an initial reporting date of July 1, 2012. The bill would require the council to coordinate certain of its activities with the Planning Advisory and Assistance Council.

(2) Existing law creates the Planning Advisory and Assistance Council in the Office of Planning and Research in the Governor's office, with a specified membership appointed by the Director of State Planning and Research consisting of representatives of cities, counties, each regional planning districts, and Indian tribes and bands, from persons nominated by those entities. Existing law requires the council to provide advice on certain planning matters, including the preparation of state long-range goals and policies, and evaluation of the planning functions of various state agencies.

This bill would delete the reference to regional planning districts and instead require 7 of the council's members to be appointed from the governing boards of specified regional planning organizations. The bill would also provide for the appointment of one member each from the California Transportation Commission, the State Air Resources Board, the State Energy Conservation and Development Commission, the Speaker of the Assembly, and the Senate Committee on Rules. The bill would expand the duties of the council by requiring it to work with the Strategic Growth Council and various regional and local agencies to facilitate the implementation of regional blueprint plans, and to develop and propose recommendations to the Strategic Growth Council and certain state agencies in order to facilitate coordination between regional blueprint plans, state growth and infrastructure plans, and programs that facilitate the implementation of regional blueprint plans. The bill would also require reports by the council to the Legislature on specified matters.

(3) Existing law requires certain transportation planning activities by designated regional transportation planning agencies, including development of a regional transportation plan. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law requires metropolitan planning organizations to adopt a sustainable communities strategy, subject to specified requirements, as part of a regional transportation plan, which is to be designed to achieve certain targets established by the State Air Resources Board for the reduction of greenhouse gas emissions from automobiles and light trucks in the region.

This bill would increase the registration fee imposed by the state on the registration of each vehicle by \$1, and require the Department of

Motor Vehicles, *after deducting its administrative costs*, to distribute 1% of the net revenues from the fee increase to the Planning Advisory and Assistance Council. The remaining net revenues would be distributed to designated transportation planning agencies based on the number of vehicles registered within the jurisdiction of each agency. The bill would require the transportation planning agencies to use the funds solely to develop and implement a sustainable communities strategy, a regional blueprint plan, or a rural transportation plan element in order to identify land use strategies to reduce the use of motor vehicles and to carry out transportation-related activities in the strategy, plan, or plan element and, in the case of an agency preparing a regional blueprint plan, to provide grants to cities, counties, and congestion management agencies for planning and projects related to implementation of the plan. The bill would also provide for sharing of available revenues between various agencies, as specified.

(4) The bill would also make legislative findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares as follows:

(a) Uncoordinated and unplanned growth together with a lack of common goals to effect the public's interest in the conservation and wise use of our lands pose a threat to the environment, sustainable economic development, and the health, safety, and high quality of life enjoyed by residents of this state.

(b) The enactment of Senate Bill 375 of the 2007–08 Regular Session (Chapter 728 of the Statutes of 2008) and the establishment of requirements for regional transportation plans to address greenhouse gases can only be successfully implemented if regional and local governments have the tools they need to collaboratively plan for the type of growth that can achieve these goals, and if that collaborative planning is coordinated with the efforts of the Governor's Strategic Growth Council and other state agencies as required by the enactment of Senate Bill 732 of the 2007–08 Regular Session (Chapter 729 of the Statutes of 2008).

(c) The successful development of sustainable communities strategies as part of regional transportation plans and implementation of those strategies by the amendment of city and

1 county general and specific plans will result in significantly
2 reduced vehicle travel. The reduced travel will reduce greenhouse
3 gas emissions and air pollution and provide environmental benefits
4 that mitigate the adverse impacts associated with vehicle use. The
5 resulting reduction in traffic congestion provides a user benefit to
6 all vehicle owners which is at least equal in value to a fee of two
7 dollars (\$2) per vehicle annually.

8 (d) Cooperation between regional and local governments and
9 air districts is essential to the achievement of the greenhouse gas
10 emission reductions envisioned in regional transportation plans.

11 (e) Therefore, it is in the public interest that state residents,
12 communities, local governments, air districts, and the private sector
13 cooperate and coordinate with one another in comprehensive,
14 sustainable land use planning.

15 (f) It is the intent of the Legislature to update the duties and
16 composition of the Planning Advisory and Assistance Council to
17 assist in the state's land use planning processes by providing
18 funding to support the development and implementation for
19 regional blueprints and related planning and to work with state
20 agencies providing funding for resource protection and local
21 infrastructure to facilitate coordination between state planning and
22 funding decisions and regional blueprints.

23 SEC. 2. Section 65040.6 of the Government Code is amended
24 to read:

25 65040.6. (a) The Planning Advisory and Assistance Council
26 is hereby created within the office, the membership of which shall
27 be as follows: three city representatives; three county
28 representatives; seven representatives of regional planning
29 organizations; one member of the State Air Resources Board; one
30 member of the California Transportation Commission; one member
31 of the State Energy Resources Conservation and Development
32 Commission; one member appointed by the Speaker of the
33 Assembly; one member appointed by the Senate Committee on
34 Rules; and one representative of Indian tribes and bands which
35 have reservations or rancherias within California. The city and
36 county representatives appointed pursuant to this subdivision shall
37 be selected by the director from nominees submitted by the League
38 of California Cities and by the California State Association of
39 Counties. Representatives of regional planning organizations
40 appointed pursuant to this subdivision shall be selected by the

1 director from nominees submitted by the regional planning
2 organizations set forth in paragraphs (1) to (5), inclusive, of
3 subdivision (b) and from nominees submitted by the California
4 Association of Councils of Governments for the representatives
5 set forth in paragraphs (6) and (7) of subdivision (b). The
6 representative of Indian tribes and bands shall be a member of one
7 tribe or band, and shall be selected by the director.

8 Appointment to the advisory council shall be for a term of two
9 years, provided that the members of the first council shall classify
10 themselves by lot so that one-half shall serve an initial term of one
11 year and one-half shall serve an initial term of two years. Vacancies
12 shall be filled in the same manner provided for the original
13 appointment.

14 (b) Seven of the council's members shall be from the governing
15 body of each of the following:

16 (1) The Southern California Association of Governments.

17 (2) The Metropolitan Transportation Commission or the
18 Association of Bay Area Governments. The person appointed to
19 the council pursuant to this paragraph shall be a member of the
20 governing body for both the Metropolitan Transportation
21 Commission and the Association of Bay Area Governments.

22 (3) The San Diego Association of Governments.

23 (4) The Sacramento Area Council of Governments.

24 (5) The San Joaquin Valley Regional Policy Council.

25 (6) A metropolitan planning organization or council of
26 governments that is not identified in paragraphs (1) to (5),
27 inclusive.

28 (7) A regional transportation planning agency, as defined in
29 Section 65080, that is neither a metropolitan planning organization
30 nor a council of governments.

31 (c) The council shall provide such advice as may be necessary
32 to assist the office in discharging the requirements of Sections
33 65040 to 65040.4, inclusive. In particular, the council shall:

34 (1) Assist the office in the preparation of the state long-range
35 goals and policies, in the manner specified in subdivision (a) of
36 Section 65040.

37 (2) Evaluate the planning functions of the various state agencies
38 involved in planning, in the manner specified in subdivision (c)
39 of Section 65040.

1 (3) Make appropriate decisions and provide such advice and
2 assistance as may be required by federal statute or regulation in
3 connection with any federal program administered by the office.

4 (4) Work with the Strategic Growth Council, created pursuant
5 to Section 75121 of the Public Resources Code, regional agencies,
6 such as metropolitan planning organizations or councils of
7 governments, and with cities and counties to facilitate the
8 implementation of regional blueprint plans.

9 (5) Develop and propose recommendations to the Strategic
10 Growth Council, created pursuant to Section 75121 of the Public
11 Resources Code, the Department of General Services, the State
12 Allocation Board, the Department of Housing and Community
13 Development, the Department of Transportation, the California
14 Transportation Commission, and any other state agencies that
15 affect land use, housing, or transportation in order to facilitate
16 coordination between regional blueprint plans, state growth and
17 infrastructure funding plans, and programs that facilitate the
18 implementation of regional blueprint plans.

19 (6) Receive reports, including, but not limited to, a copy of the
20 five-year infrastructure plan described in Section 13102.

21 (7) Report to the Legislature, in consultation and coordination
22 with the Strategic Growth Council, created pursuant to Section
23 75121 of the Public Resources Code, on the manner in which state
24 agencies are implementing the requirements of Chapter 1016 of
25 the Statutes of 2002.

26 (8) Report to the Legislature on regional performance measures,
27 evaluating the progress of each region of the state in improving
28 results for its residents in employment, environmental protection,
29 education, housing, mobility, and other criteria as determined by
30 the council. The council shall provide the Legislature with updates
31 to the report periodically, as the council determines is required.

32 (d) The council shall meet on call of the director of the office,
33 who shall convene at least two council meetings during each year.

34 (e) Council members shall serve without compensation, but
35 they may be reimbursed for actual expenses incurred in connection
36 with their duties.

37 SEC. 3. Section 65080.6 is added to the Government Code, to
38 read:

39 65080.6. (a) All revenue received pursuant to Section 9250.20
40 of the Vehicle Code shall be used by the metropolitan planning

1 organization, the council of governments, or a county transportation
2 planning agency solely to develop and implement a sustainable
3 communities strategy, a regional blueprint plan, or a rural
4 transportation plan element that is consistent with the guidelines
5 developed by the Department of Transportation for regional
6 blueprints, in order to identify land use strategies to reduce the use
7 of motor vehicles in its jurisdiction and carry out applicable
8 transportation-related activities in the strategy, plan, or plan
9 element, and thereby to achieve the greenhouse gas emission
10 reduction target as specified in Section 65080, and to provide
11 grants to cities, counties, cities and counties, and congestion
12 management agencies for planning and projects related to the
13 implementation of a regional blueprint plan.

14 (b) A metropolitan planning organization that is jointly preparing
15 a sustainable communities strategy with a council of governments
16 shall share all revenue it receives and expend that revenue in
17 accordance with an agreement between the two agencies.

18 (c) The Southern California Association of Governments
19 (SCAG) shall distribute a share of revenues received pursuant to
20 Section 9250.20 of the Vehicle Code to a county transportation
21 commission or subregional council of governments that has elected
22 to prepare a subregional sustainable communities strategy pursuant
23 to Section 65080. The share of each eligible agency shall be
24 computed after deducting from total revenues available to SCAG
25 pursuant to Section 9520.20 of the Vehicle Code the costs incurred
26 by SCAG for preparing the regionwide sustainable communities
27 strategy pursuant to Section 65080, and then, with respect to those
28 remaining revenues, allocating the revenues based on the amount
29 of fees collected from motor vehicles registered within the
30 jurisdiction of each eligible agency.

31 (d) The metropolitan planning organization, the council of
32 governments, or a county transportation commission and a
33 subregional council of governments jointly preparing a subregional
34 sustainable communities strategy, may, pursuant to an agreement
35 with the local air quality management district that has responsibility
36 over the jurisdiction, share revenues received pursuant to this
37 section with the local air quality management district.

38 (e) All revenue received by the local air quality management
39 district pursuant to subdivision (d) shall be used to assist local and
40 regional governments in reducing greenhouse gas emissions.

1 Appropriate assistance includes, but is not limited to, all of the
2 following:

3 (1) Assistance in the development of a subregional sustainable
4 communities strategy.

5 (2) Assistance in the development of local greenhouse gas
6 emission inventories.

7 (3) Assistance in the development of greenhouse gas emission
8 reduction strategies in general plans.

9 (4) Development of and assistance with CEQA guidelines and
10 review of greenhouse gas emissions in CEQA analyses.

11 (5) Consultation and development of local climate action plans.

12 (6) Project-specific consultation work to reduce greenhouse gas
13 emissions from local transportation and land use decisions.

14 (f) For purposes of this section, a sustainable communities
15 strategy and an alternative planning strategy shall both be
16 considered to be a regional blueprint plan.

17 SEC. 4. Section 75125 of the Public Resources Code is
18 amended to read:

19 75125. The council shall do all of the following:

20 (a) Identify and review activities and funding programs of
21 member state agencies that may be coordinated to improve air and
22 water quality, improve natural resource protection, increase the
23 availability of affordable housing, improve transportation, meet
24 the goals of the California Global Warming Solutions Act of 2006
25 (Division 25.5 (commencing with Section 38500) of the Health
26 and Safety Code), encourage sustainable land use planning, and
27 revitalize urban and community centers in a sustainable manner.
28 At a minimum, the council shall review and comment on the
29 five-year infrastructure plan developed pursuant to Article 2
30 (commencing with Section 13100) of Chapter 2 of Part 3 of
31 Division 3 of the Government Code and the State Environmental
32 Goals and Policy Report developed pursuant to Section 65041 of
33 the Government Code.

34 (b) Recommend policies and investment strategies and priorities
35 to the Governor, the Legislature, and to appropriate state agencies
36 to encourage the development of sustainable communities, such
37 as those communities that promote equity, strengthen the economy,
38 protect the environment, and promote public health and safety,
39 consistent with subdivisions (a) and (c) of Section 75065.

1 (c) Provide, fund, and distribute data and information to local
2 governments and regional agencies that will assist in developing
3 and planning sustainable communities.

4 (d) Manage and award grants and loans to support the planning
5 and development of sustainable communities, pursuant to Sections
6 75127, 75128, and 75129. To implement this subdivision, the
7 council may do all of the following:

8 (1) Develop guidelines for awarding financial assistance,
9 including criteria for eligibility and additional consideration.

10 (2) Develop criteria for determining the amount of financial
11 assistance to be awarded. The council shall award a revolving loan
12 to an applicant for a planning project, unless the council determines
13 that the applicant lacks the fiscal capacity to carry out the project
14 without a grant. The council may establish criteria that would allow
15 the applicant to illustrate an ongoing commitment of financial
16 resources to ensure the completion of the proposed plan or project.

17 (3) Provide for payments of interest on loans made pursuant to
18 this article. The rate of interest shall not exceed the rate earned by
19 the Pooled Money Investment Board.

20 (4) Provide for the time period for repaying a loan made
21 pursuant to this article.

22 (5) Provide for the recovery of funds from an applicant that fails
23 to complete the project for which financial assistance was awarded.
24 The council shall direct the Controller to recover funds by any
25 available means.

26 (6) Provide technical assistance for application preparation.

27 (7) Designate a state agency or department to administer
28 technical and financial assistance programs for the disbursing of
29 grants and loans to support the planning and development of
30 sustainable communities, pursuant to Sections 75127, 75128, and
31 75129.

32 (e) In making recommendations pursuant to subdivisions (a)
33 and (b) and in providing data and information pursuant to
34 subdivision (c), the council shall consult with and coordinate its
35 recommendations with the Planning Advisory and Assistance
36 Council created pursuant to Section 65040.6 of the Government
37 Code.

38 (f) No later than July 1, 2012, and every year thereafter, provide
39 a report to the Legislature that shall include, but is not limited to,
40 all of the following:

- 1 (1) A list of applicants for financial assistance.
- 2 (2) Identification of which applications were approved.
- 3 (3) The amounts awarded for each approved application.
- 4 (4) The remaining balance of available funds.

5 (5) A report on the proposed or ongoing management of each
6 funded project.

7 (6) Any additional minimum requirements and priorities for a
8 project or plan proposed in a grant or loan application developed
9 and adopted by the council pursuant to subdivision (c) of Section
10 75126.

11 SEC. 5. Section 9250.20 is added to the Vehicle Code, to read:

12 9250.20. (a) Effective July 1, 2011, the fee imposed by Section
13 9250 shall be increased by an additional one dollar (\$1).

14 ~~(b) After deducting the costs incurred pursuant to subdivision~~
15 ~~(d), 1 percent of all revenues received from the additional fee~~
16 ~~imposed pursuant to this section shall be transmitted its~~
17 ~~administrative costs, the department shall transmit 1 percent of~~
18 ~~the net revenues received from the additional fee imposed pursuant~~
19 ~~to this section to the Planning Advisory and Assistance Council~~
20 ~~to perform the functions specified in subdivision (c) of Section~~
21 ~~65040.6 of the Government Code.~~

22 (c) The department shall distribute the remaining revenues from
23 the fee increase to metropolitan planning organizations, councils
24 of governments outside of metropolitan planning organizations,
25 and transportation planning agencies in areas outside of
26 metropolitan planning organizations or councils of governments
27 in accordance with Section 65080.6 of the Government Code,
28 based upon the amount of fees collected from motor vehicles
29 registered within each jurisdiction.

30 ~~(d) The department may annually expend for its costs not more~~
31 ~~than the following percentages of the fees collected pursuant to~~
32 ~~subdivision (a):~~

33 ~~(1) Two percent during the first year after the increased fee is~~
34 ~~imposed.~~

35 ~~(2) One percent during any subsequent year.~~